



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

**STATE OF ARIZONA**  
**OFFICE OF THE**  
**AUDITOR GENERAL**

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

May 16, 2006

Governing Board  
Red Rock Elementary School District No. 5  
P.O. Box 1010  
Red Rock, AZ 85245-1010

Members of the Board:

Beginning with fiscal year 2004, school districts with an adopted expenditure budget of less than \$2 million but more than \$700,000 for the Maintenance and Operation Fund must have a biennial financial statement audit and should submit the related audit reports to our Office within 9 months of the end of the second fiscal year. The district's auditors must also prepare and submit a Uniform System of Financial Records (USFR) Compliance Questionnaire for the second fiscal year.

The District elected to contract for an annual single audit for the year ended June 30, 2004, rather than a biennial financial statement audit for the 2 years ended June 30, 2005. The District's single audit reports and questionnaire for the year ended June 30, 2004, which were due by March 31, 2005, have not been received. Consequently, the District has not complied with the USFR and state law in regard to report submission.

If the District does not submit the reports and questionnaire within 90 days of the date of this letter, we will notify the Arizona State Board of Education of the District's noncompliance and request that appropriate action be taken as prescribed by Arizona Revised Statutes §15-272.

In addition, since the District elected to contract for an annual single audit for the year ended June 30, 2004, the District is required to have at least a biennial financial statement audit for the 2 years ending June 30, 2006.

If you have questions about this letter or the action the District must take, please call me at (602) 553-0333.

Sincerely,

Gregory R. Rickert, CPA  
Accounting Services Manager

cc: Mr. Mark Braumer, Superintendent/Principal  
Red Rock Elementary School District No. 5  
The Honorable Jack W. Harmon, Pinal County School Superintendent  
Ms. Vicki G. Salazar, Associate Superintendent of Financial Services  
Arizona Department of Education